

SENATE FISCAL TRACKING

HF 3669, As Amended by the Delete-All Amendment

\$ in thousands | BOLD indicates rows that total | Revenue Sections: Negative = Revenue Reduction | Expenditures Section: Positive = Increased Spending

LINE	AUTHOR	ITEM	A KEY	B DATE	C FY 2023	D FY 2022-23	E FY 2024	F FY 2025	G FY 2024-25	H ALL YEARS
I. FEDERAL CONFORMITY:										
FEDERAL CONFORMITY - INDIVIDUAL INCOME TAX										
1		Expansion of Section 529 plans	FCAA	TY19	(530)	(530)	(160)	(160)	(320)	(850)
2		Increase charitable deduction limit for food inventory	CARES	TY20 Only	(190)	(190)	40	10	50	(140)
3		Inclusion of certain over the counter medical products as qualified medical expenses	CARES	TY20 Only	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
4		Exclusion of discharge of indebtedness on qualified principal residence	CAA	TY21-TY25	(2,800)	(2,800)	(1,600)	(1,600)	(3,200)	(6,000)
5		Benefits for volunteer firefighters and emergency responders	CAA	TY21	(590)	(590)	(400)	(400)	(800)	(1,390)
6	Clausen	Exclusion for certain employer payments of student loans	CAA	TY21-TY25	(13,900)	(13,900)	(7,300)	(7,400)	(14,700)	(28,600)
7		Partial above-the-line deduction for charitable contributions	CAA	TY21 Only	(13,900)	(13,900)	-	-	-	(13,900)
8		Modification of limitation on charitable contributions	CAA	TY21 Only	(6,500)	(6,500)	2,700	1,200	3,900	(2,600)
9		SBA loan assistance exclusion	CAA	TY21 Only	(2,700)	(2,700)	(300)	(100)	(400)	(3,100)
10	Housley	Exclusion of shuttered venue grants income	CAA	TY21 Only	(2,300)	(2,300)	(400)	(200)	(600)	(2,900)
11		Accelerated depreciation for business property on Indian reservations	CAA	TY21	(80)	(80)	(10)	(Negl.)	(10)	(90)
12		Depreciation of certain residential rental property over 30 years	CAA	TY18	(8,200)	(8,200)	(1,100)	(900)	(2,000)	(10,200)
13		Special expensing rules for certain film, TV, and live theatrical productions	CAA	TY21-25	(3,300)	(3,300)	(600)	(600)	(1,200)	(4,500)
14		Energy-efficient commercial building deduction	CAA	TY21 Only	(410)	(410)	(200)	(200)	(400)	(810)
15		Special rule for the production period for beer, wine, and distilled spirits	CAA	TY21	(120)	(120)	(40)	(40)	(80)	(200)
16		Special disaster-related rules for use of retirement funds	CAA	TY21-22	(10)	(10)	10	-	10	-
17		Special rules for qualified disaster-related personal casualty losses	CAA	TY20	(900)	(900)	(400)	(400)	(800)	(1,700)
18		Increase maximum unearned income for working family credit	ARPA	TY21	(900)	(900)	(500)	(500)	(1,000)	(1,900)
19		Increase exclusion for employer-provided dependent care assistance	ARPA	TY21 Only	(760)	(760)	-	-	-	(760)
20		Exclusion for certain forgiven student loans	ARPA	TY 21-25	(200)	(200)	(100)	(100)	(200)	(400)
21		Extend limitation on excess business losses of noncorporate taxpayers	ARPA	TY26 Only	-	-	-	-	-	-
22		Exclusion of economic injury disaster loan advances	ARPA	TY21 Only	(5,800)	(5,800)	(600)	(300)	(900)	(6,700)
23	Bigham	Exclusion of restaurant revitalization grants	ARPA	TY21 Only	(4,200)	(4,200)	(400)	(200)	(600)	(4,800)
24		Private Activity Bonds for Qualified Broadband Projects	IIJA	TY22	(80)	(80)	(170)	(290)	(460)	(540)
25		Tax Exempt Bonds for Qualified Carbon Dioxide Capture Facilities	IIJA	TY22	(20)	(20)	(20)	(40)	(60)	(80)
26		SUBTOTAL: FEDERAL CONFORMITY - INDIVIDUAL INCOME TAX			(68,390)	(68,390)	(11,550)	(12,220)	(23,770)	(92,160)
FEDERAL CONFORMITY: CORPORATE FRANCHISE TAX										
28		7-year recovery period for motorsports entertainment complexes	FCAA	TY18-20	(360)	(360)	(40)	(20)	(60)	(420)
29		Increase corporate limitation on charitable deductions	CARES	TY20 Only	(550)	(550)	170	100	270	(280)
30		Increase charitable deduction limit for food inventory	CARES	TY20 Only	(90)	(90)	30	-	30	(60)

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31		SBA loan assistance exclusion	CAA	TY21 Only	(2,500)	(2,500)	(100)	(100)	(200)	(2,700)
32	Housley	Exclusion of shuttered venue grants income	CAA	TY21 Only	(2,300)	(2,300)	(400)	(200)	(600)	(2,900)
33		7-year recovery period for motorsports entertainment complexes	CAA	TY21-25	(190)	(190)	(100)	(110)	(210)	(400)
34		Accelerated depreciation for business property on Indian reservations	CAA	TY21	(60)	(60)	(10)	-	(10)	(70)
35		Depreciation of certain residential rental property over 30 years	CAA	TY18	(4,100)	(4,100)	(500)	(400)	(900)	(5,000)
36		Special expensing rules for certain film, TV, and live theatrical productions	CAA	TY21-25	(3,800)	(3,800)	(700)	(700)	(1,400)	(5,200)
37		Energy-efficient commercial building deduction	CAA	TY21 Only	(660)	(660)	(320)	(320)	(640)	(1,300)
38		Special rule for the production period for beer, wine, and distilled spirits	CAA	TY21	(180)	(180)	(70)	(70)	(140)	(320)
39		Special rule for qualified disaster-relief contributions	CAA	TY21-22	(100)	(100)	30	20	50	(50)
40		Exclusion of economic injury disaster loan advances	ARPA	TY21 Only	(5,800)	(5,800)	(600)	(300)	(900)	(6,700)
41	Bigham	Exclusion of restaurant revitalization grants	ARPA	TY21 Only	(4,100)	(4,100)	(400)	(200)	(600)	(4,700)
42		Repeal worldwide interest allocation rules	ARPA	TY21	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
43		Deny deduction for certain highly compensated executives	ARPA	TY27	-	-	-	-	-	-
44		Modify tax treatment of contributions to the capital of corporations	IJJA	TY21 Only	(1,700)	(1,700)	(800)	(700)	(1,500)	(3,200)
45		SUBTOTAL: FEDERAL CONFORMITY - CORPORATE FRANCHISE TAX			(26,490)	(26,490)	(3,810)	(3,000)	(6,810)	(33,300)
50		SUBTOTAL: FEDERAL CONFORMITY CHANGES (GF)	O		(94,880)	(94,880)	(15,360)	(15,220)	(30,580)	(125,460)
		II. OTHER TAX REVENUE CHANGES:								
		INDIVIDUAL INCOME TAX								
54	Nelson	Reduce 1st Bracket Rate to 2.8% (from 5.35%)	O	TY22	(2,822,100)	(2,822,100)	(1,951,400)	(2,028,500)	(3,979,900)	(6,802,000)
55	Nelson	100% Subtraction of Social Security Income	O	TY22	(509,600)	(509,600)	(547,300)	(578,600)	(1,125,900)	(1,635,500)
56		Interaction: Social Security Subtraction & 1st Bracket Rate Reduction	O	TY22	42,700	42,700	49,300	52,700	102,000	144,700
57	Nelson/Pratt	Child & Dependent Care Credit: Increase Phaseout Threshold to \$70,000	S	TY22	(5,700)	(5,700)	(6,100)	(6,100)	(12,200)	(17,900)
58	Rest	K12 Credit: FAGI Basis; Phaseout Threshold to \$50,000; Indexed TY23	S	TY22	(6,100)	(6,100)	(6,400)	(6,600)	(13,000)	(19,100)
59	Nelson	K12 Subtraction: Amounts increased by 50%; Indexed TY23	S	TY22	(3,000)	(3,000)	(3,100)	(3,200)	(6,300)	(9,300)
60	Nelson	Small Business (Angel) Investor Credit	S	TY22	(7,000)	(7,000)	-	-	-	(7,000)
61	Clausen	Establish Credit for Preceptors	S	TY23-25	-	-	(3,300)	(3,300)	(6,600)	(6,600)
62	Howe	Establish Subtraction for Eligible Public Safety Pension Income	S	TY23	-	-	(700)	(1,500)	(2,200)	(2,200)
63	Pratt	Establish Subtraction for Nuclear Decommissioning Trust Fund Income ¹	S	TY25	-	-	-	(1,230)	(1,230)	(1,230)
64	Coleman	Establish Credit for Eligible Parental Leave Expenditures	S	TY24-26	-	-	-	(8,700)	(8,700)	(8,700)
65	Miller/Senjem	Repeal Sunset of Historic Structure Rehabilitation Credit	S	DFE	(670)	(670)	(1,260)	(1,960)	(3,220)	(3,890)
66	Nelson	R&D Credit: Increase 2nd Tier Rate to 4.25% (from 4%)	S	TY22	(1,200)	(1,200)	(900)	(1,000)	(1,900)	(3,100)
67	Nelson	Establish Credit for New Markets	S	TY23	-	-	-	(3,000)	(3,000)	(3,000)
68	Nelson	Repeal Addition of 529 Plan Amounts Used for Private School Tuition (Conformity)	S	TY22	(100)	(100)	(100)	(100)	(200)	(300)
69	Weber	Interaction: State General Levy Reduction	PT	Various	-	-	280	280	560	560
70	Goggin	Interaction: Riparian Buffer Credit	PT	Taxes Payable 24	-	-	-	300	300	300
71	Housley	Interaction: Electric Generation Transition Aid to Local Governments	PT	Aids Payable 24	-	-	-	60	60	60
72	Mathews	Interaction: Mille Lacs Reimbursement for Lost Revenue	PT	DFE	-	-	<i>Negl.</i>	<i>Negl.</i>	<i>Negl.</i>	<i>Negl.</i>
73	Weber	Interaction: Class 4d Modifications	PT	Assessments 23	-	-	-	10	10	10

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74		SUBTOTAL: INDIVIDUAL INCOME TAX			(3,312,770)	(3,312,770)	(2,470,980)	(2,590,440)	(5,061,420)	(8,374,190)
		CORPORATE FRANCHISE TAX								
77	Coleman	Establish Credit for Eligible Parental Leave Expenditures	S	TY24-26	-	-	-	(16,000)	(16,000)	(16,000)
78	Miller/Senjem	Repeal Sunset of Historic Structure Rehabilitation Credit	S	DFE	(6,030)	(6,030)	(11,340)	(17,640)	(28,980)	(35,010)
79	Nelson	R&D Credit: Increase 2nd Tier Rate to 4.25% (from 4%)	S	TY22	(2,200)	(2,200)	(1,700)	(1,800)	(3,500)	(5,700)
80		SUBTOTAL: CORPORATE FRANCHISE TAX			(8,230)	(8,230)	(13,040)	(35,440)	(48,480)	(56,710)
		ESTATE TAX								
83	Coleman	Spousal Exclusion Portability	O	FY23	(1,100)	(1,100)	(3,600)	(6,800)	(10,400)	(11,500)
84		SUBTOTAL: ESTATE TAX			(1,100)	(1,100)	(3,600)	(6,800)	(10,400)	(11,500)
		STATE PROPERTY TAX								
87	Weber/Nelson	Proportional Reduction to CI/SRR Levy Amount (& 10-yr. Phaseout Beginning Pay 26) ²	PT	Various	(4,940)	(4,940)	(9,310)	(9,310)	(18,620)	(23,560)
88	Chamberlain	Refund: Indian Tribe-Owned Property Tax Exemption Extension	PT	Payable 22	(10)	(10)	-	-	-	(10)
89		SUBTOTAL: STATE PROPERTY TAX			(4,950)	(4,950)	(9,310)	(9,310)	(18,620)	(23,570)
		SALES & USE TAX								
92	Bakk	Establish Exemption for Suite License Food & Beverages, Amenities Included w/ Admission	S	7/1/23	-	-	(1,170)	(1,190)	(2,360)	(2,360)
93	Rarick	Expand Farm Machinery Exemption to Include Agricultural Fencing	S	Retro 7/1/21	(3,430)	(3,430)	(1,740)	(1,760)	(3,500)	(6,930)
94	Rosen	Establish Exemption for Nonprofit Animal Shelters	S	7/1/22	(1,650)	(1,650)	(1,800)	(1,800)	(3,600)	(5,250)
95	Nelson	Exempt Polar Vortex-related Natural Gas Charges	S	Retro 9/1/21	(5,180)	(5,180)	(2,380)	(2,380)	(4,760)	(9,940)
96		SUBTOTAL: SALES & USE TAX			(10,260)	(10,260)	(7,090)	(7,130)	(14,220)	(24,480)
		COMBINED NET RECEIPTS TAX								
99	Nelson	Expand Brackets	S	7/1/2023	-	-	(7,100)	(8,200)	(15,300)	(15,300)
100		Interaction: Additional Transfer to Stadium Reserve	S		-	-	(71)	(153)	(224)	(224)
101		SUBTOTAL: COMBINED NET RECEIPTS TAX			-	-	(7,171)	(8,353)	(15,524)	(15,524)
103		SUBTOTAL: OTHER TAX REVENUE CHANGES (GF)			(3,337,310)	(3,337,310)	(2,511,191)	(2,657,473)	(5,168,664)	(8,505,974)
105		TOTAL: TAX REVENUE CHANGES (GF)			(3,432,190)	(3,432,190)	(2,526,551)	(2,672,693)	(5,199,244)	(8,631,434)
106		SUBTOTAL: OMNIBUS	O		(3,384,980)	(3,384,980)	(2,468,360)	(2,576,420)	(5,044,780)	(8,429,760)
107		SUBTOTAL: SUPPLEMENT	S		(42,260)	(42,260)	(49,161)	(87,613)	(136,774)	(179,034)
108		SUBTOTAL: PROPERTY TAXES SUBCOMMITTEE REPORT	PT		(4,950)	(4,950)	(9,030)	(8,660)	(17,690)	(22,640)

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		III. EXPENDITURE CHANGES:								
		PROPERTY TAX REFUNDS & CREDITS								
114	Goggin	Riparian Buffer Credit (@ 100% Rate)	PT	Taxes Payable 24	-	-	-	8,620	8,620	8,620
115	Klein	Enhancements to Additional Property Tax Refund (Targeting Refund)	PT	Payable 23	-	-	1,900	2,000	3,900	3,900
116	Rest	PTR Interaction: Homestead Market Value Exclusion Increase	PT	Assessments 23	-	-	-	(7,330)	(7,330)	(7,330)
117	Weber	PTR Interaction: Cooperative Utility Distribution Lines Definition Modification	PT	Assessments 23	-	-	-	20	20	20
118	Bakk	PTR Interaction: Airport Property Tax Exemption Modification	PT	Payable 23	-	-	20	20	40	40
119	Ruud	PTR Interaction: Class 1c Property Class Tier Modifications	PT	Payable 23	-	-	10	10	20	20
120	Chamberlain	PTR Interaction: Indian Tribe-Owned Property Tax Exemption Extension	PT	Payable 22	-	-	<i>Negl.</i>	<i>Negl.</i>	<i>Negl.</i>	<i>Negl.</i>
121	Housley	PTR Interaction: Electric Generation Transition Aid to Local Governments	PT	Payable 24	-	-	-	(160)	(160)	(160)
122	Weber	PTR Interaction: Ag Homestead Property 1st Tier Valuation Modification	PT	Assessments 23	-	-	-	360	360	360
123	Mathews	PTR Interaction: Mille Lacs Reimbursement Aid for Lost Revenue	PT	DFE	-	-	<i>(Negl.)</i>	<i>(Negl.)</i>	<i>(Negl.)</i>	<i>(Negl.)</i>
124	Lang	PTR Interaction: Disabled Veterans Homestead Market Value Exclusion for Qualifying Spouses	PT	Assessments 22	-	-	<i>(Negl.)</i>	<i>(Negl.)</i>	<i>(Negl.)</i>	<i>(Negl.)</i>
125	Howe	PTR Interaction: Disabled Veterans Homestead MV Exclusion, Spousal Benefit Modification	PT	Assessments 22	-	-	<i>(Negl.)</i>	<i>(Negl.)</i>	<i>(Negl.)</i>	<i>(Negl.)</i>
126	Weber	PTR Interaction: Class 4d Modifications	PT	Assessments 23	-	-	-	2,920	2,920	2,920
127	Bakk	PTR Interaction: Affordable Housing Market Value Exclusion ³	PT	Assessments 23	-	-	-	-	-	-
128	Weber	PTR Interaction: Energy Storage Systems Property Tax Exemption	PT	Assessments 23-33	-	-	-	20	20	20
129	Weber	School Building Bond Credit Interaction: Ag Homestead Property 1st Tier Valuation Modification	PT	Assessments 23	-	-	-	(360)	(360)	(360)
130		SUBTOTAL: PROPERTY TAX REFUNDS & CREDITS			-	-	1,930	6,120	8,050	8,050
		OTHER AIDS & APPROPRIATIONS								
133	Housley	Electric Generation Transition Aid to Local Governments ⁴	PT	Payable 24	-	-	-	5,200	5,200	5,200
134	Weber	Transition Aid for Cities (for Class 4d Rate Modifications)	PT	Payable 24-25	-	-	-	810	810	810
135	Murphy	Senior Property Tax Deferral Loan Program Enhancements	PT	Taxes Payable 23	-	-	180	450	630	630
136	Mathews	Mille Lacs Reimbursement Aid for Lost Revenue (through FY31)	PT	DFE	114	114	114	114	228	342
137	Johnson	LGA Penalty Forgiveness: City of Roosevelt	PT	Payable 22	25	25	-	-	-	25
138		SUBTOTAL: OTHER AIDS & APPROPRIATIONS			139	139	294	6,574	6,868	7,007
140		TOTAL: EXPENDITURE CHANGES (GF)			139	139	2,224	12,694	14,918	15,057
141		SUBTOTAL: OMNIBUS	O		-	-	-	-	-	-
142		SUBTOTAL: SUPPLEMENT	S		-	-	-	-	-	-
143		SUBTOTAL: PROPERTY TAXES SUBCOMMITTEE REPORT	PT		139	139	2,224	12,694	14,918	15,057
145		TOTAL: NET GENERAL FUND EFFECTS (LINE 105 - LINE 140)			(3,432,329)	(3,432,329)	(2,528,775)	(2,685,387)	(5,214,162)	(8,646,491)
146		SUBTOTAL: OMNIBUS	O		(3,384,980)	(3,384,980)	(2,468,360)	(2,576,420)	(5,044,780)	(8,429,760)
147		SUBTOTAL: SUPPLEMENT	S		(42,260)	(42,260)	(49,161)	(87,613)	(136,774)	(179,034)
148		SUBTOTAL: PROPERTY TAXES SUBCOMMITTEE REPORT	PT		(5,089)	(5,089)	(11,254)	(21,354)	(32,608)	(37,697)

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IV. NON-GENERAL FUND TAX REVENUE CHANGES:										
LEGACY FUNDS										
154	Weber	Establish Exemption for Suite License Food & Beverages, Amenities Included w/ Admission	S	7/1/23	-	-	(70)	(70)	(140)	(140)
155	Rarick	Expand Farm Machinery Exemption to Include Agricultural Fencing	S	Retro 7/1/21	(150)	(150)	(80)	(80)	(160)	(310)
156	Rosen	Establish Exemption for Nonprofit Animal Shelters	S	7/1/22	(90)	(90)	(100)	(100)	(200)	(290)
157	Nelson	Exempt Polar Vortex-related Natural Gas Charges	S	Retro 9/1/21	(300)	(300)	(140)	(140)	(280)	(580)
158		SUBTOTAL: LEGACY FUNDS			(540)	(540)	(390)	(390)	(780)	(1,320)

V. NON-BUDGET ITEMS	
TAX INCREMENT FINANCE	
174	Various Statewide TIF Policy Modifications
175	City of Savage
176	City of Shakopee
177	City of Woodbury
LOCAL OPTION SALES TAX	
179	Rochester; LST extension; new projects
180	Cook County; lodging tax extension
181	Marshall; LST extension; new project
182	Waite Park; LST extension; new project
183	Aitkin; LST
184	Blackduck; LST
185	Bloomington; LST
186	Brooklyn Center; LST
187	East Grand Forks; LST
188	Golden Valley; LST
189	Henderson; LST
190	Lake of the Woods County; lodging tax
191	Proctor; LST
192	Rice County; LST
193	Roseville; LST
194	Winona County; LST
195	Park Rapids LST
OTHER	
197	Delinquent Property Tax Interest Rate Modified
198	Modifications to the pass-through-entity (PTE) tax
199	Exemption from Net Debt Limit for City of Virginia
200	LGA Penalty Forgiveness: City of Bena; City of Boy River; City of Echo; City of Morton

FOOTNOTES

- ¹ The full effects of this provision occur in FY 26 (-\$4.1 million) and will be ongoing.
 - ² This provision phases out the state general levy over 10 years, beginning in TY26. The full effect of this proposal in FY 36 is a General Fund revenue reduction of -\$749.4 million.
[Click for more information: Property Tax Phaseout Visual](#)
 - ³ The Department of Revenue (DOR) is unable to estimate the number of participating municipalities. Therefore, the amount of property tax refunds paid beginning in FY 26 is estimated as "unknown."
 - ⁴ DOR estimates that state-paid property tax refunds will increase by <\$25,000, beginning in FY 26.
 - ⁵ Additional electric generating units are expected to be retired in future years and qualify for the aid under this formula. The effects of those retirements would occur outside of the forecast window.
- DFE = Day Following Final Enactment
TCJA = Tax Cuts and Jobs Act (PL 115-97)
FCAA = Further Consolidated Appropriations Act, 2020 (PL 116-94)
CARES = Coronavirus Aid, Relief, and Economic Security Act (PL 116-36)
CAA = Consolidated Appropriations Act of 2021 (PL 116-260)
ARPA = American Rescue Plan Act of 2021 (PL 117-2)
IIJA = Infrastructure Investment and Jobs Act (PL 117-58)